



# San Diego's Blue Collar Workers





## **What You Don't Know**

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- We continue to bring home state-wide, national, and even international awards for outstanding services, innovations, and cost savings.
- Most are efficiency driven due to repeated budget cuts.
- Some are for enhanced service to the public.





## Just a Few Examples

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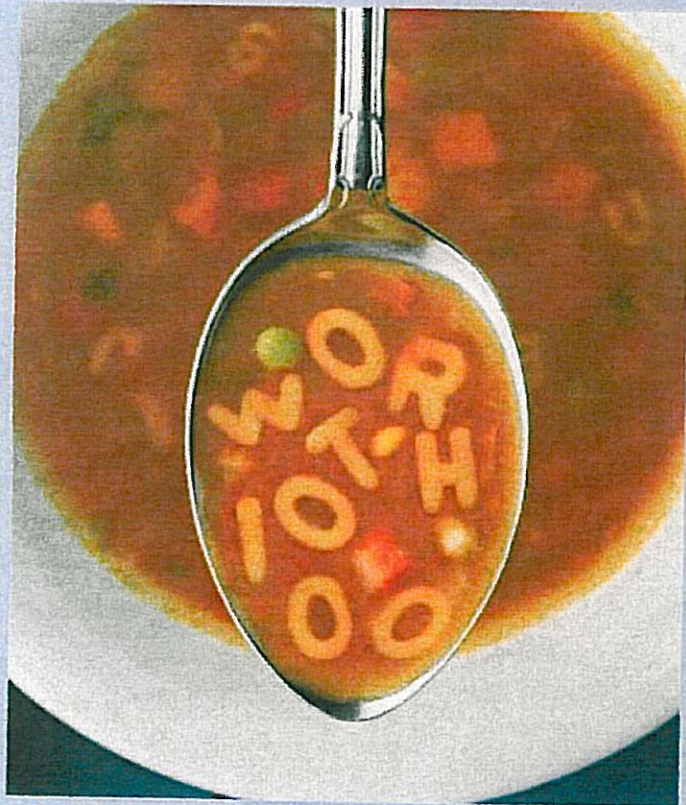
- 4-time Sanitation Driver of the Year (Environmental Industry Associates)
- Most efficient service delivery (Reason Foundation)
- 2007 Flex Your Power award (Water Department)
- Metropolitan Wastewater workers saved taxpayers \$90 million over 5 years.
- Innovations in Government Award (Harvard's JFK School)
- Golden Watchdog Award (San Diego County Taxpayers Association)
- 2004 International Climate Protection Award (US Environmental Protection Agency)
- 2005 Fleet of the Year: Collection Services Division (Fleet Owner Magazine)
- Miramar Landfill and Wastewater Department among the first ISO 14001 certified public entities

~THE LIST GOES ON~



# Invasion of the Acronyms

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## BPR

Business Process  
Re-engineering

## MEO

Most Efficient Organization



# **Managed Competition**

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## **San Diego Iterations**

1. Based on Federal OMB Circular A-76
2. Based on San Diego County Guide
3. Mayor's discretion
4. Lessons learned
5. This is what we've always done



# The 4 TESTS

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117 (c) The City may employ any independent contractor when the City Manager determines, subject to City Council approval, City services can be provided more <sup>1</sup>economically and <sup>2</sup>efficiently

by an independent contractor than by persons employed in the Classified Service <sup>3</sup>while <sup>4</sup>maintaining service quality and protecting the public interest. The City Council shall by ordinance provide for appropriate policies and procedures to implement this subsection. Such ordinance shall include minimum contract standards and other measures to protect the quality and reliability

of public services. A City department shall be provided with an opportunity and resources to develop efficiency and effectiveness improvements in their operations as part of the department's

proposal. The City Manager shall establish the Managed Competition Independent Review Board to advise the City Manager whether a City department's proposal or an independent contractor's

proposal will provide the services to the City most economically and efficiently while maintaining

service quality and protecting the public interest. The City Manager will appoint seven (7)

members to the Board. Four (4) shall be private citizens whose appointments shall be subject to

City Council confirmation. Each shall have professional experience in one or more of the

following areas: finance, law, public administration, business management or the service areas

under consideration by the City Manager. Three (3) shall be City staff including a City Manager

staff designee, a City Council staff designee and the City Auditor and Comptroller or staff

designee. Such appointees shall not have any personal or financial interests which would create

conflict of interests with the duties of a Board member. Members of the Board shall be prohibited

from entering into a contract or accepting employment from an organization which secures a City



# What Do We Want?

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## Consistency

Are there clearly defined policies that are being carried out in a consistent manner?

## Fairness

Do the rules of the game provide a level playing field for the city's workforce?

## Transparency

Can the city's workforce participate in the process and/or clearly view the steps that are taken?



# Consistency

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- **Jargon continuously changes**
- **Competitive Advantage – Some MEO's are implemented some are not, none are safe from Managed Competition**
- **The rules of game are constantly in flux with each new version of the Managed Competition Guide, BPR Guide or report to City Council**



## **Fairness**

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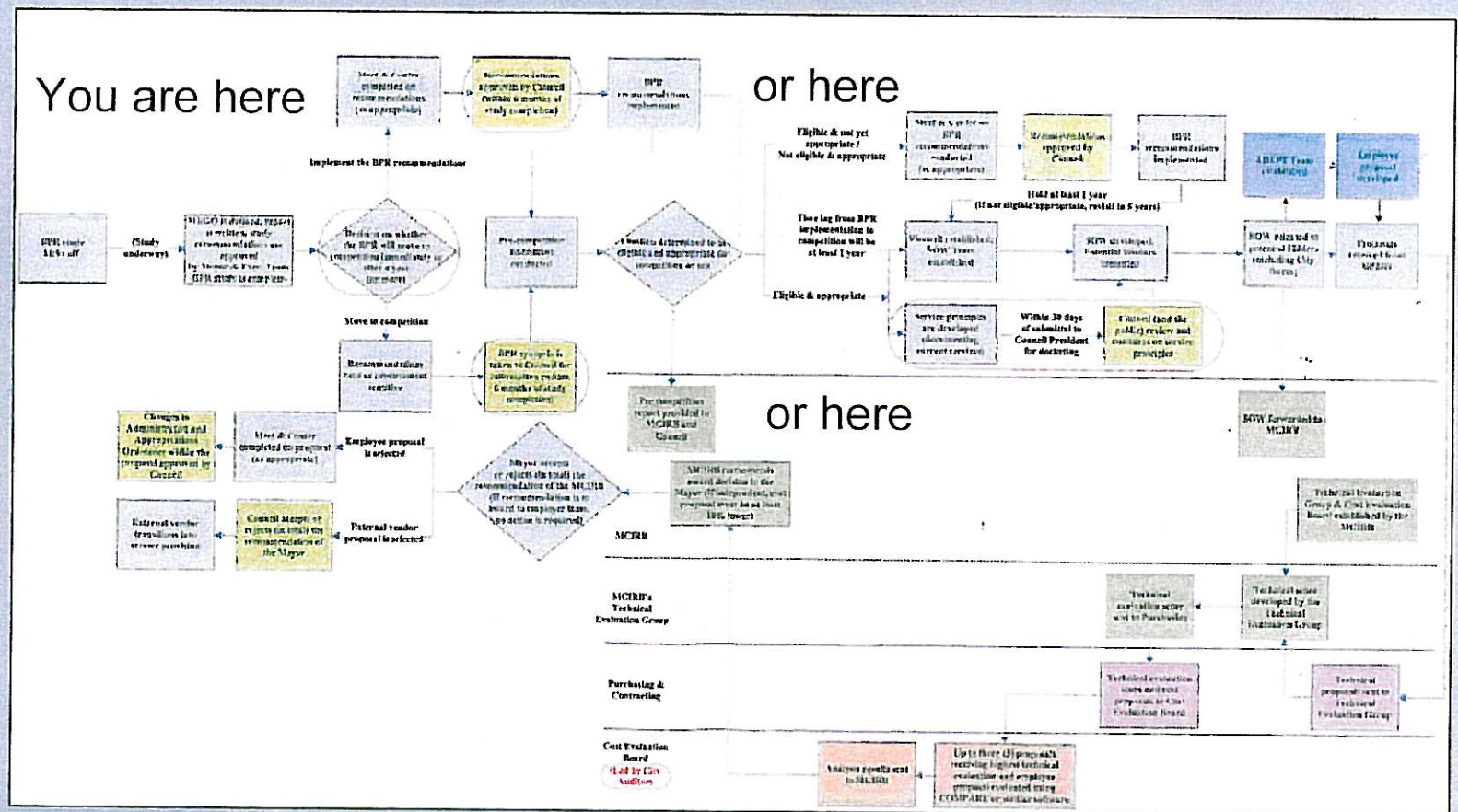
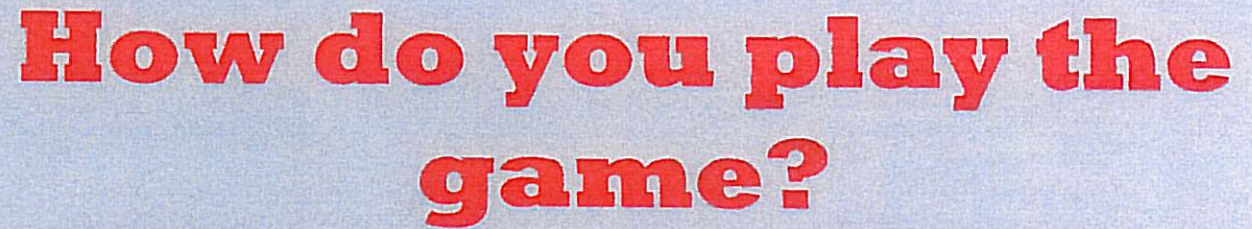
- **Government Furnished Property**
- **No safeguards against purely economic gains with no efficiency gains**
- **No safeguards against lowball bids and Labor Day soda sales**
- **Exposed MEO's are subject to Managed Competition**



# Transparency

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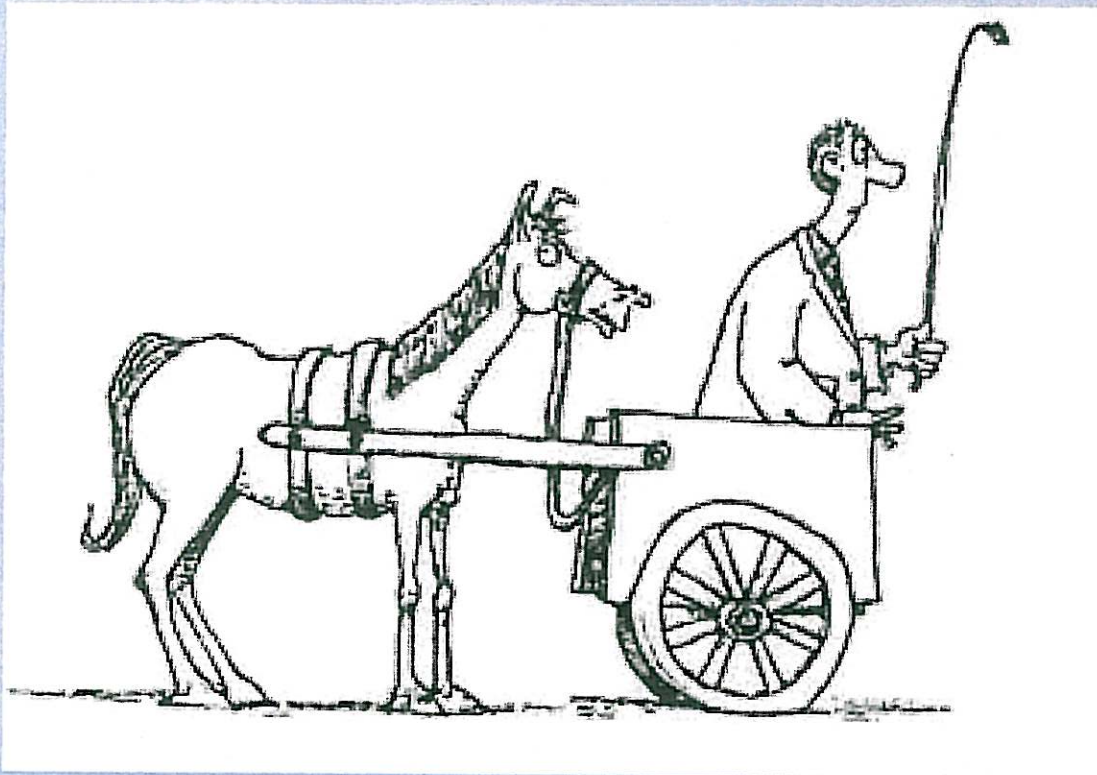
- **Grant Thornton**
- **The large majority of the city's workforce do not know where they are in the process.**
- **BPR is confused with Managed Competition further confused with City Budget deliberations**





# What are the rules to play by?

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**No performance  
measures**

**No cost  
methodology**

**How do you win?**  
**When do you know?**

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